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CENTRAL DIST. OF CALIF.
LOS ANGELES

BY: _____

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

June 2015 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

BERRY KABOV,
DALIBOR KABOV,
aka "Dabo," and
GLOBAL COMPOUNDING, LLC,

Defendants.

CR No. 15

CR15 - 0511

I N D I C T M E N T

[21 U.S.C. §§ 846, 841(b)(1)(C): Conspiracy to Distribute Oxycodone; 21 U.S.C. §§ 841(a)(1), (b)(1)(C): Distribution of Oxycodone; 21 U.S.C. §§ 963, 960(a)(1): Conspiracy to Import a Schedule III Controlled Substance; 21 U.S.C. §§ 952(b), 960(a)(1): Importation of a Schedule III Controlled Substance; 18 U.S.C. § 1956(h): Conspiracy to Engage in Money Laundering; 18 U.S.C. § 1957: Engaging in Transactions in Criminally Derived Proceeds; 18 U.S.C. § 2(b): Causing an Act to be Done; 31 U.S.C. § 5324(a)(3): Structuring; 21 U.S.C. § 853; 18 U.S.C. § 982(a)(1); and 31 U.S.C. § 5317(c): Criminal Forfeiture]

The Grand Jury charges:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. Defendants BERRY KABOV ("B. KABOV") and DALIBOR KABOV, also known as "Dabo" ("D. KABOV"), owned and operated defendant GLOBAL

1 COMPOUNDING PHARMACY, LLC ("GLOBAL COMPOUNDING"). Defendant GLOBAL
2 COMPOUNDING is a retail pharmacy located at 1544 Purdue Avenue, Los
3 Angeles, California 90025.

4 2. On February 6, 2012, defendant GLOBAL COMPOUNDING became
5 licensed with the California Board of Pharmacy. On March 2, 2012,
6 defendant GLOBAL COMPOUNDING became registered with the United States
7 Drug Enforcement Administration ("DEA") to dispense pharmaceutical
8 controlled substances. Defendant GLOBAL COMPOUNDING is not
9 registered with the DEA or otherwise lawfully authorized to import
10 controlled substances into the United States.

11 3. Between June 2012 and December 31, 2014, defendants B.
12 KABOV, D. KABOV, and GLOBAL COMPOUNDING ordered and received from
13 United States-based wholesale drug distributors approximately 98,800
14 pills of oxycodone, a Schedule II narcotic drug controlled substance
15 commonly known by the brand name OxyContin; 30,600 pills of
16 hydromorphone, a Schedule II narcotic drug controlled substance
17 commonly known by the brand name Dilaudid; and 83,200 pills of
18 hydrocodone, at the time a Schedule III narcotic drug controlled
19 substance commonly known by the brand name Vicodin. Defendants B.
20 KABOV, D. KABOV, and GLOBAL COMPOUNDING also ordered and received
21 various Schedule III anabolic steroid controlled substances from
22 Chinese distributors and thus caused the drugs to be imported from
23 China into the United States without lawful authority.

24 4. Defendants B. KABOV and D. KABOV controlled mailboxes
25 located at commercial mail receiving agencies ("CMRAS") in Los
26 Angeles, California, which defendants B. KABOV and D. KABOV would use
27 to receive concealed bulk cash shipments from black-market oxycodone
28 customers. These CMRA mailboxes included the following: (1) mailbox

1 number 409, held in defendant D. KABOV's name, and located at a CMRA
2 on Westwood Boulevard in Los Angeles ("the Westwood CMRA"); and (2)
3 mailbox number 511, held in the name of unindicted co-conspirator
4 O.A., and located at a CMRA on Olympic Boulevard in Los Angeles ("the
5 Olympic CMRA").

6 5. Defendants B. KABOV and D. KABOV, either individually or
7 jointly, maintained control over the following financial accounts,
8 among others, into which they deposited and through which they
9 laundered the illicit proceeds of their sales of controlled
10 substances: a Comerica Bank personal account ending in numbers 0765,
11 held in the name of defendant D. KABOV ("the Comerica Account"); a
12 Wells Fargo Bank ("WFB") account ending in numbers 5858, held in the
13 name of defendant GLOBAL COMPOUNDING and controlled by defendants B.
14 KABOV and D. KABOV ("WFB Account 1"); a WFB account ending in numbers
15 3192, held in the names of defendants D. KABOV and B. KABOV ("WFB
16 Account 2"); a WFB account ending in numbers 2276, held in the names
17 of defendants D. KABOV and B. KABOV ("WFB Account 3"); and a Chase
18 Bank account ending in numbers 8781, held in the name of defendant D.
19 KABOV (the "Chase Account"). Defendant D. KABOV also controlled an
20 American Express credit card account ending in numbers 31005 (the
21 "AmEx Account").

22 6. The Bank Secrecy Act ("BSA") is a set of laws and
23 regulations enacted to address an increase in criminal money
24 laundering through financial institutions. The BSA required domestic
25 financial institutions to file a Currency Transaction Report ("CTR")
26 for each deposit, withdrawal, exchange of currency, or other payment
27 in currency of more than \$10,000 by, through, or to such financial
28 institutions.

COUNT ONE

[21 U.S.C. § 846]

A. GENERAL ALLEGATIONS

The Grand Jury hereby repeats, re-alleges, and incorporates by reference paragraphs 1 through 5 of the General Allegations of this Indictment as though fully set forth herein.

B. OBJECT OF THE CONSPIRACY

Beginning on a date unknown, and continuing to at least in or about June 2012, in Los Angeles County, within the Central District of California, and elsewhere, defendants B. KABOV and D. KABOV, and others known and unknown to the Grand Jury, conspired and agreed with each other to knowingly and intentionally distribute oxycodone, a Schedule II narcotic drug controlled substance.

C. MEANS BY WHICH THE OBJECT OF THE CONSPIRACY WAS TO BE ACCOMPLISHED

The object of the conspiracy was to be accomplished, in substance, as follows:

1. Defendant B. KABOV would negotiate the sale of thousands of pills of oxycodone to black-market drug customers in areas including Columbus, Ohio (the "drug customers").

2. Defendants B. KABOV and D. KABOV would ship thousands of pills of oxycodone from Los Angeles, California, to drug customers residing in and near Columbus, Ohio.

3. In exchange for the concealed shipments of oxycodone, at bank branches located in and near Columbus, Ohio, the drug customers would deposit thousands of dollars in cash into the Chase Account, which defendants B. KABOV and D. KABOV would then withdraw from bank branches located in Los Angeles.

1 4. Also in exchange for the concealed shipments of oxycodone,
2 the drug customers would send bulk cash shipments of thousands of
3 dollars at a time to defendants B. KABOV and D. KABOV, which the drug
4 customers would ship from Ohio to mailboxes controlled by defendants
5 B. KABOV and D. KABOV at the Westwood CMRA and the Olympic CMRA.

6 D. OVERT ACTS

7 In furtherance of the conspiracy and to accomplish its object,
8 on or about the following dates, defendants B. KABOV and D. KABOV,
9 and others known and unknown to the grand jury, committed and
10 willfully caused others to commit the following overt acts, among
11 others, within the Central District of California, and elsewhere:

12 1. On December 6, 2011, an unidentified co-conspirator shipped
13 a United States Postal Service ("USPS") parcel containing \$5,000 cash
14 from Columbus, Ohio, to the Olympic CMRA.

15 2. On December 6, 2011, an unidentified co-conspirator shipped
16 a USPS parcel containing \$5,000 cash, and addressed to defendant D.
17 KABOV, from Columbus, Ohio, to the Westwood CMRA.

18 3. On December 7, 2011, an unidentified co-conspirator shipped
19 a USPS parcel containing \$4,000 cash from Columbus, Ohio, to the
20 Olympic CMRA.

21 4. On December 7, 2011, an unidentified co-conspirator shipped
22 a USPS parcel containing \$4,000 cash, and addressed to defendant D.
23 KABOV, from Columbus, Ohio to the Westwood CMRA.

24 5. On December 12, 2011, an unidentified co-conspirator
25 shipped a Federal Express parcel containing \$5,000 cash, and
26 addressed to defendant D. KABOV, from Columbus, Ohio to the Westwood
27 CMRA.

1 6. On December 12, 2011, defendant D. KABOV received from an
2 unidentified co-conspirator a \$1,500 cash deposit into the Chase
3 Account, which the unidentified co-conspirator made at a Chase bank
4 branch in Dublin, Ohio.

5 7. On December 12, 2011, defendant D. KABOV received from an
6 unidentified co-conspirator a \$1,500 cash deposit into the Chase
7 Account, which the unidentified co-conspirator made at a Chase bank
8 branch in Columbus, Ohio.

9 8. On December 13, 2011, defendant D. KABOV received from an
10 unidentified co-conspirator a \$1,500 cash deposit into the Chase
11 Account, which the unidentified co-conspirator made at a Chase bank
12 branch in Gahanna, Ohio.

13 9. On December 13, 2011, defendant D. KABOV received from an
14 unidentified co-conspirator a \$1,500 cash deposit into the Chase
15 Account, which the unidentified co-conspirator made at a Chase bank
16 branch in Hilliard, Ohio.

17 10. On December 14, 2011, in Los Angeles, California, defendant
18 D. KABOV withdrew \$3,000 in cash proceeds from the Chase Account.

19 11. On December 16, 2011, defendant D. KABOV received from an
20 unidentified co-conspirator a \$2,500 cash deposit into the Chase
21 Account, which the unidentified co-conspirator made at a Chase bank
22 branch in Dublin, Ohio.

23 12. On December 16, 2011, defendant D. KABOV received from an
24 unidentified co-conspirator a \$2,500 cash deposit into the Chase
25 Account, which the unidentified co-conspirator made at a Chase bank
26 branch in Gahanna, Ohio.

27 13. On December 16, 2011, in Los Angeles, California, defendant
28 D. KABOV withdrew \$4,000 in cash proceeds from the Chase Account.

1 14. On December 19, 2011, defendant D. KABOV received from an
2 unidentified co-conspirator a \$2,100 cash deposit into the Chase
3 Account, which the unidentified co-conspirator made at a Chase bank
4 branch in Columbus, Ohio.

5 15. On December 19, 2011, defendant D. KABOV received from an
6 unidentified co-conspirator a \$2,300 cash deposit into the Chase
7 Account, which the unidentified co-conspirator made at a Chase bank
8 branch in Columbus, Ohio.

9 16. On December 19, 2011, in Los Angeles, California, defendant
10 D. KABOV withdrew \$4,000 in cash proceeds from the Chase Account.

11 17. On December 20, 2011, defendant D. KABOV received from an
12 unidentified co-conspirator a \$2,000 cash deposit into the Chase
13 Account, which the unidentified co-conspirator made at a Chase bank
14 branch in Dublin, Ohio.

15 18. On December 20, 2011, defendant D. KABOV received from an
16 unidentified co-conspirator a \$2,000 cash deposit into the Chase
17 Account, which the unidentified co-conspirator made at a Chase bank
18 branch in Hilliard, Ohio.

19 19. On December 21, 2011, defendant D. KABOV received from an
20 unidentified co-conspirator a \$2,400 cash deposit into the Chase
21 Account, which the unidentified co-conspirator made at a Chase bank
22 branch in Reynoldsburg, Ohio.

23 20. On December 21, 2011, defendant D. KABOV received from an
24 unidentified co-conspirator a \$2,000 cash deposit into the Chase
25 Account, which the unidentified co-conspirator made at a Chase bank
26 branch in Columbus, Ohio.

1 21. On December 21, 2011, in Santa Monica, California,
2 defendant D. KABOV withdrew \$4,000 in cash proceeds from the Chase
3 Account.

4 22. On December 21, 2011, in Los Angeles, California, defendant
5 D. KABOV withdrew \$2,000 in cash proceeds from the Chase Account.

6 23. On January 10, 2012, defendants B. KABOV and D. KABOV
7 shipped and caused to be shipped a USPS parcel containing 300 pills
8 of 30-milligram strength oxycodone and two pills of 20-milligram
9 strength oxycodone from Los Angeles to Columbus, Ohio.

10 24. On January 14, 2012, defendants B. KABOV and D. KABOV
11 shipped and caused to be shipped a USPS parcel containing 400 pills
12 of 20-milligram strength oxycodone from Los Angeles to Dublin, Ohio.

13 25. On January 17, 2012, an unidentified co-conspirator shipped
14 a USPS parcel containing \$5,050 cash from Columbus, Ohio, to the
15 Olympic CMRA.

16 26. On January 17, 2012, an unidentified co-conspirator shipped
17 a USPS parcel containing \$5,050 cash and addressed to defendant D.
18 KABOV from Columbus, Ohio to the Westwood CMRA.

19 27. On January 31, 2012, defendants B. KABOV and D. KABOV
20 shipped and caused to be shipped a USPS parcel containing 1000 pills
21 of 20-milligram strength oxycodone from Los Angeles to Dublin, Ohio.

22 28. In May 2012, using coded language in a telephone
23 conversation, defendant B. KABOV spoke to a person he believed was a
24 black-market drug customer based in Columbus, Ohio, but who in fact
25 was a confidential source working for law enforcement ("the CS"),
26 during which defendant B. KABOV confirmed that he (defendant B.
27 KABOV) received five parcels containing bulk cash, but that other
28

1 money parcels that the CS had sent had been seized by law
2 enforcement.

3 29. In May 2012, using coded language in a telephone
4 conversation, defendant B. KABOV instructed the CS to be careful when
5 sending bulk money shipments in the future to avoid further law
6 enforcement intervention, including to send them via Federal Express
7 or UPS rather than via the United States Postal Service and to send
8 them from various different cities.

9 30. In May 2012, using coded language in a telephone
10 conversation, defendant B. KABOV agreed to send another shipment of
11 oxycodone to the CS at an unspecified later date.

12 31. On May 30, 2012, defendants B. KABOV and D. KABOV, acting
13 and intending to act outside the usual course of professional
14 practice and without a legitimate medical purpose, shipped and caused
15 to be shipped a Federal Express package (tracking number 8001 2082
16 9876) from Los Angeles, California, to the CS at an address in
17 Winchester, Ohio, containing 1,000 pills of 20-milligram strength
18 oxycodone ("the May 2012 oxycodone shipment").

19 32. On May 30, 2012, using coded language in a telephone
20 conversation, defendant B. KABOV provided the CS with the tracking
21 number (8001 2082 9876) for the May 2012 oxycodone shipment.

22 33. In June 2012, using coded language in a telephone
23 conversation, defendant B. KABOV offered to supply the CS with 5,000
24 pills of 20- or 30-milligram strength oxycodone.

25 34. On June 5, 2012, using coded language in a telephone
26 conversation, defendant B. KABOV told the CS to inquire with an
27 unidentified co-conspirator regarding how many additional pills they
28 could purchase from defendant B. KABOV.

1 35. On June 7, 2012, using coded language in a telephone
2 conversation, the CS informed defendant B. KABOV that the CS had sent
3 a package containing \$3,000 cash to the Olympic CMRA ("the June 2012
4 money shipment").

5 36. In June 2012, using coded language in a telephone
6 conversation, the CS provided defendant B. KABOV the tracking number
7 (8001 3616 6631) for the June 2012 money shipment.

8 37. On June 8, 2012, defendants B. KABOV and D. KABOV received
9 the June 2012 money shipment at the Olympic CMRA.

10 38. In June 2012, using coded language in a telephone
11 conversation, defendant B. KABOV told the CS that defendant B. KABOV
12 had access to drug customers in New York who would purchase black-
13 market shipments of oxycodone at a rate of \$50 per pill, and
14 defendant B. KABOV instructed the CS to check with an unidentified
15 co-conspirator in Columbus, Ohio, to ensure that they (the CS and the
16 unidentified co-conspirator) would be able to continue to purchase
17 bulk oxycodone from defendant B. KABOV.

18 39. In June 2012, using coded language in a telephone
19 conversation, defendant B. KABOV told the CS that, to reduce the risk
20 of law enforcement intervention, defendant B. KABOV preferred to sell
21 oxycodone to customers with whom defendant B. KABOV has a pre-
22 existing relationship.

23 40. In June 2012, using coded language in a telephone
24 conversation, defendant B. KABOV agreed to send 3,000 pills of
25 oxycodone to the CS.
26
27
28

COUNT TWO

[21 U.S.C. §§ 841(a)(1), (b)(1)(C)]

On or about May 30, 2012, in Los Angeles County, within the Central District of California, and elsewhere, defendants BERRY KABOV and DALIBOR KABOV, also known as "Dabo," while acting and intending to act outside the usual course of professional practice and without a legitimate medical purpose, knowingly and intentionally distributed oxycodone, namely, approximately 1,000 pills of 20 milligram-strength oxycodone, a Schedule II narcotic drug controlled substance.

COUNT THREE

[21 U.S.C. §§ 963, 952(b), 960(a)(1)]

A. GENERAL ALLEGATIONS

The Grand Jury hereby repeats, re-alleges, and incorporates by reference paragraphs 1 through 5 of the General Allegations of this Indictment as though fully set forth herein.

B. OBJECT OF THE CONSPIRACY

Beginning on a date unknown, and continuing to at least on or about May 8, 2015, in Los Angeles County, within the Central District of California, and elsewhere, defendants B. KABOV, D. KABOV, and GLOBAL COMPOUNDING, and others known and unknown to the Grand Jury, conspired and agreed with each other to knowingly and intentionally import Schedule III anabolic steroid controlled substances, in violation of Title 21, United States Code, Sections 952(b) and 960(a)(1).

C. MEANS BY WHICH THE OBJECT OF THE CONSPIRACY WAS TO BE ACCOMPLISHED

The object of the conspiracy was to be accomplished, in substance, as follows:

1. Defendants B. KABOV and D. KABOV would order bulk quantities of anabolic steroids from wholesale drug distributors located in the Hubei Province of China ("the Chinese distributors").

2. Defendants B. KABOV and D. KABOV would instruct the Chinese distributors to ship anabolic steroids to defendant GLOBAL COMPOUNDING and would thereby cause the Chinese distributors to ship anabolic steroids from China to the United States.

3. Defendant B. KABOV would wire money to the Chinese distributors as payment for the imported anabolic steroids.

1 D. OVERT ACTS

2 In furtherance of the conspiracy and to accomplish its object,
3 on or about the following dates, defendants B. KABOV,
4 D. KABOV, and GLOBAL COMPOUNDING, and others known and unknown to the
5 grand jury, committed and willfully caused others to commit the
6 following overt acts, among others, within the Central District of
7 California, and elsewhere:

8 1. On April 13, 2012, defendants B. KABOV and D. KABOV sent an
9 e-mail communication to a wholesale drug distributor located in
10 Hubei, China ("the Chinese distributor"), requesting to purchase bulk
11 quantities of the following Schedule III anabolic steroid controlled
12 substances: testosterone, oxandrolone, and nandrolone.

13 2. On April 13, 2012, defendants B. KABOV and D. KABOV sent an
14 e-mail communication to the Chinese distributor agreeing to purchase
15 200 grams of testosterone, 100 grams of oxandrolone, and 100 grams of
16 nandrolone ("the April 2012 drug order").

17 3. On April 13, 2012, defendants B. KABOV and D. KABOV sent an
18 e-mail communication to the Chinese distributor confirming that they
19 would wire \$9,400 in United States currency, in an equivalent amount
20 of Chinese Yuan, to the Chinese distributor as payment for the April
21 2012 drug order.

22 4. On April 13, 2012, defendants B. KABOV and D. KABOV sent an
23 e-mail communication instructing the Chinese distributor to ship the
24 April 2012 drug order to GLOBAL COMPOUNDING in Los Angeles,
25 California.

26 5. On April 13, 2012, in response to an e-mail communication
27 from the Chinese distributor advising that the April 2012 drug order
28 might not pass through customs inspection following the parcel's

1 entry into the United States, defendants B. KABOV and D. KABOV
2 confirmed that the Chinese distributor should ship the parcel to Los
3 Angeles, California.

4 6. On April 15, 2012, defendants B. KABOV and D. KABOV sent an
5 e-mail communication to the Chinese distributor confirming that they
6 had wired 18,500 in Chinese Yuan to the Chinese distributor via
7 Western Union.

8 7. On April 25, 2012, defendants B. KABOV and D. KABOV
9 received an e-mail communication from the Chinese distributor showing
10 that a parcel containing the April 2012 drug order was shipped from
11 the Hubei Province of China on April 22, 2012; entered the United
12 States at the San Francisco International Airport mail center on
13 April 24, 2012; and was transported to Los Angeles, California the
14 following day.

15 8. On April 27, 2012, defendants B. KABOV and D. KABOV sent an
16 e-mail communication to the Chinese distributor confirming that they
17 received the April 2012 drug order.

18 9. On April 5, 2013, defendant B. KABOV wired \$650 from Los
19 Angeles, California, to the Hubei Province of China.

20 10. On April 20, 2013, defendants B. KABOV and D. KABOV
21 imported from China into the United States approximately 385.6 grams
22 of testosterone enanthate, a Schedule III anabolic steroid controlled
23 substance, which entered the United States at the San Francisco
24 International Airport in a parcel addressed to defendant GLOBAL
25 COMPOUNDING that had been shipped from the Hubei Province of China.

26 11. On April 15, 2014, defendant B. KABOV wired \$370 from Los
27 Angeles, California, to the Hubei Province of China.

1 12. On April 19, 2014, defendants B. KABOV and D. KABOV
2 imported into the United States approximately 103 grams of
3 nortestosterone decanoate, a Schedule III anabolic steroid controlled
4 substance, which had entered the United States at the San Francisco
5 International Airport in a parcel addressed to defendant GLOBAL
6 COMPOUNDING that had been shipped from the Hubei Province of China.

7 13. On November 13, 2014, defendant B. KABOV wired \$1,550 from
8 Los Angeles, California, to the Hubei Province of China.

9 14. On December 24, 2014, defendant B. KABOV wired \$1,600 from
10 Los Angeles, California, to the Hubei Province of China.

11 15. On March 20, 2015, defendant B. KABOV wired \$1,300 from Los
12 Angeles, California, to the Hubei Province of China.

13 16. On May 8, 2015, defendant B. KABOV wired \$240 from Los
14 Angeles, California, to the Hubei Province of China.

COUNT FOUR

[21 U.S.C. §§ 952(b), 960(a)(1); 18 U.S.C. § 2(b)]

On or about April 25, 2012, in Los Angeles County, within the Central District of California, and elsewhere, defendants BERRY KABOV, DALIBOR KABOV, also known as "Dabo," and GLOBAL COMPOUNDING LLC, knowingly and intentionally imported and caused to be imported into the United States approximately 200 grams of testosterone, a Schedule III anabolic steroid controlled substance.

COUNT FIVE

[21 U.S.C. §§ 952(b), 960(a)(1); 18 U.S.C. § 2(b)]

On or about April 25, 2012, in Los Angeles County, within the Central District of California, and elsewhere, defendants BERRY KABOV, DALIBOR KABOV, also known as "Dabo," and GLOBAL COMPOUNDING LLC, knowingly and intentionally imported and caused to be imported into the United States approximately 100 grams of oxandrolone, a Schedule III anabolic steroid controlled substance.

COUNT SIX

[21 U.S.C. §§ 952(b), 960(a)(1); 18 U.S.C. § 2(b)]

On or about April 25, 2012, in Los Angeles County, within the Central District of California, and elsewhere, defendants BERRY KABOV, DALIBOR KABOV, also known as "Dabo," and GLOBAL COMPOUNDING LLC, knowingly and intentionally imported and caused to be imported into the United States approximately 100 grams of nandrolone, a Schedule III anabolic steroid controlled substance.

COUNT SEVEN

[18 U.S.C. § 1956(h)]

A. GENERAL ALLEGATIONS

The Grand Jury hereby repeats, re-alleges, and incorporates by reference paragraphs 1 through 6 of the General Allegations as though fully set forth herein.

B. OBJECTS OF THE CONSPIRACY

Beginning on a date unknown, and continuing to at least on or about March 12, 2014, in Los Angeles County, within the Central District of California, and elsewhere, defendants B. KABOV, D. KABOV, and GLOBAL COMPOUNDING, and others known and unknown to the Grand Jury, conspired and agreed with each other to knowingly and intentionally commit the following offenses against the United States:

1. Knowing that property involved in a financial transaction represented the proceeds of some form of unlawful activity, and which property was, in fact, the proceeds of specified unlawful activity, namely, conspiracy to distribute and to possess with intent to distribute a controlled substance, in violation of Title 21, United States Code, Section 846, and conspiracy to import a controlled substances into the United States, in violation of Title 21, United States Code, Section 963, conduct and attempt to conduct financial transactions:

a. knowing that the transactions were designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership, and the control of said unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i); and

1 b. knowing that the transactions were designed in whole
2 and in part to avoid a transaction reporting requirement under
3 Federal law, in violation of Title 18, United States Code, Section
4 1956(a)(1)(B)(ii); and

5 2. Knowingly engage and attempt to engage in monetary
6 transactions involving criminally derived property of a value greater
7 than \$10,000, which property represented the proceeds of specified
8 unlawful activity, namely, conspiracy to distribute and to possess
9 with intent to distribute a controlled substance and conspiracy to
10 import a controlled substances into the United States, in violation
11 of Title 18, United States Code, Section 1957(a).

12 C. MEANS BY WHICH THE OBJECTS OF THE CONSPIRACY WERE TO BE
13 ACCOMPLISHED

14 The objects of the conspiracy were to be accomplished, in
15 substance, as follows:

16 1. Defendants B. KABOV and D. KABOV would receive cash
17 payments (the "criminal proceeds") from black-market drug customers
18 totaling hundreds of thousands of dollars.

19 2. Defendants B. KABOV and D. KABOV would deposit the criminal
20 proceeds into defendant GLOBAL COMPOUNDING's primary business bank
21 account, WFB Account 1, and into other bank accounts that they
22 individually or jointly controlled, including the Comerica Account,
23 WFB Account 2, and WFB Account 3.

24 3. Defendants would deposit the criminal proceeds in
25 structured amounts of \$10,000 or less, often depositing the proceeds
26 into multiple bank accounts using multiple ATM locations on the same
27 day, in order to avoid triggering the banks' transaction reporting
28

1 requirements and to disguise the illegal nature and source of the
2 criminal proceeds.

3 4. Soon after such deposits would be made, defendants B. KABOV
4 and D. KABOV would withdraw the criminal proceeds and would transfer
5 the criminal proceeds from GLOBAL COMPOUNDING's primary business
6 account, WFB Account 1, to the Amex Account, thereby further
7 obscuring the illegal nature and source of the criminal proceeds.

8 D. OVERT ACTS

9 In furtherance of the conspiracy and to accomplish the objects
10 of the conspiracy, on or about the following dates, defendants B.
11 KABOV, D. KABOV, and GLOBAL COMPOUNDING, and others known and unknown
12 to the Grand Jury, committed, and willfully caused to be committed,
13 various overt acts within the Central District of California, and
14 elsewhere, including but not limited to the following:

15 1. On August 2, 2011, an unidentified co-conspirator made cash
16 deposits of \$4,000, \$4,000, and \$2,504.99, for a total of \$10,504.99,
17 into WFB Account 3.

18 2. On August 2, 2011, defendant B. KABOV withdrew \$10,785 from
19 WFB Account 3.

20 3. On October 19, 2011, an unidentified co-conspirator made
21 cash deposits of \$7,300 and \$3,200 into WFB Account 1.

22 4. On October 28, 2011, an unidentified co-conspirator made
23 cash deposits of \$5,000, \$4,400, and \$3,300 into WFB Account 1.

24 5. On December 28, 2011, an unidentified co-conspirator made
25 cash deposits of \$4,100, \$3,200, \$2,700, and \$2,000 into WFB Account
26 1.

27 6. On December 29, 2011, an unidentified co-conspirator made
28 cash deposits of \$4,100, \$3,200, \$3,000, \$2,800, \$2,600, and \$1,800

1 into WFB Account 1; a \$4,000 deposit into WFB Account 3; and a \$2,000
2 deposit into the Comerica Account.

3 7. On December 29, 2011, defendant D. KABOV transferred
4 \$26,735.64 from WFB Account 1 to the Amex Account.

5 8. On January 31, 2012, defendants B. KABOV and D. KABOV made
6 cash deposits of \$9,000, \$4,700, \$4,550, \$3,750, \$3,700, \$3,250,
7 \$3,000, \$3,000, \$2,900, \$2,400, \$1,400, and \$1,400, for a total of
8 \$43,050, into WFB Account 1.

9 9. On January 31, 2012, defendant D. KABOV transferred
10 \$40,492.57 from WFB Account 1 to the Amex Account.

11 10. On February 27, 2012, an unidentified co-conspirator made
12 cash deposits of \$4,450 and \$1,550 into WFB Account 1.

13 11. On February 28, 2012, an unidentified co-conspirator made
14 cash deposits of \$5,000, \$4,000, \$4,000, \$4,000, \$3,000, \$2,000,
15 \$2,000, and \$1,200 into WFB Account 1; and a cash deposit of \$140.38
16 into WFB Account 3.

17 12. On February 28, 2012, defendant D. KABOV transferred
18 \$31,259.41 from WFB Account 1 to the Amex Account.

19 13. On March 13, 2012, an unidentified co-conspirator made cash
20 deposits of \$5,000, \$4,000, \$4,000, \$4,000, \$4,000, \$4,000, \$4,000,
21 for a total of \$29,000, into WFB Account 1; and a cash deposit of
22 \$3,100 into the Comerica Account.

23 14. On March 13, 2012, defendant D. KABOV withdrew \$29,000 from
24 WFB Account 1.

25 15. On March 27, 2012, an unidentified co-conspirator made cash
26 deposits of \$6,000, \$4,000, \$4,000, \$4,000, \$3,550, \$2,500, \$2,000,
27 \$1,450, for a total of \$21,500, into WFB Account 1; and a cash
28 deposit of \$2,200 into the Comerica Account.

1 16. On March 27, 2012, defendant D. KABOV transferred
2 \$24,500.41 from WFB Account 1 to the Amex Account.

3 17. On April 30, 2012, an unidentified co-conspirator made cash
4 deposits of \$5,000, \$4,000, \$3,800, \$3,800, \$2,300, \$2,200, \$2,200,
5 \$2,000, \$1,700, and \$700, for a total of \$27,700, into WFB Account 1.

6 18. On April 30, 2012, defendant D. KABOV transferred
7 \$25,840.51 from WFB Account 1 to the Amex Account.

8 19. On May 30, 2012, an unidentified co-conspirator made cash
9 deposits of \$4,900, \$4,800, \$3,700, \$3,700, and \$3,300, for a total
10 of \$20,400, into WFB Account 1; and cash deposits of \$3,600 and \$750
11 into WFB Account 3.

12 20. On May 31, 2012, defendant D. KABOV transferred \$21,000.00
13 from WFB Account 1 to the Amex Account.

14 21. On June 25, 2012, an unidentified co-conspirator made cash
15 deposits of \$4,700, \$4,600, \$4,000, \$3,500, and \$3,200 into WFB
16 Account 1.

17 22. On September 27, 2012, an unidentified co-conspirator made
18 cash deposits of \$5,000, \$5,000, and \$4,900, for a total of \$14,900,
19 into WFB Account 1; and a \$2,000 deposit into WFB Account 3.

20 23. On September 28, 2012, defendant D. KABOV transferred
21 \$13,979.13 from WFB Account 1 to the Amex Account.

22 24. On October 4, 2012, an unidentified co-conspirator made
23 cash deposits of \$4,100, \$4,000, and \$3,900 into WFB Account 1; and a
24 cash deposit of \$725 into WFB Account 3.

25 25. On November 30, 2012, an unidentified co-conspirator made
26 cash deposits of \$4,400, \$4,400, \$3,000, \$1,500, \$1,000, \$1,000,
27 \$1,000, and \$1,000 into WFB Account 1.

1 26. On December 31, 2012, an unidentified co-conspirator made
2 cash deposits of \$4,900, \$4,500, \$2,500, \$1,100, and \$1,000 into WFB
3 Account 1; and cash deposits of \$2,000, \$1,960, \$1,000, and \$800 into
4 WFB Account 3.

5 27. On April 1, 2013, an unidentified co-conspirator made cash
6 deposits of \$3,800 and \$3,220 into WFB Account 1; and cash deposits
7 of \$3,000 and \$2,800 into WFB Account 3.

8 28. On May 20, 2013, an unidentified co-conspirator made cash
9 deposits of \$4,550, \$2,900, \$4,600, and \$3,500 into WFB Account 1;
10 and a cash deposit of \$2,000 in the Comerica Account.

11 29. On June 5, 2013, an unidentified co-conspirator made cash
12 deposits of \$1,300, \$1,000, \$1,000, and \$786.23 into WFB Account 3;
13 and a cash deposit of \$10,000 into the Comerica Account.

14 30. On July 5, 2013, an unidentified co-conspirator made cash
15 deposits of \$1,000, \$1,000, and \$180 into WFB Account 3; and a cash
16 deposit of \$8,500 in the Comerica Account.

17 31. On July 12, 2013, an unidentified co-conspirator made cash
18 deposits of \$5,000, \$5,000, \$5,000, \$2,500, \$500, and \$1,000 into WFB
19 Account 1; and a cash deposit of \$866.60 into WFB Account 3.

20 32. On November 24, 2013, an unidentified co-conspirator made
21 cash deposits of \$5,000, \$5,000, \$5,000, \$4,900, \$3,000, \$3,000,
22 \$2,000, \$1,100, and \$800 into WFB Account 1.

23 33. On February 7, 2014, an unidentified co-conspirator made
24 cash deposits of \$5,000 in WFB Account 1; \$2,000 into WFB Account 2;
25 and \$5,000 into WFB Account 3.

26 34. On February 18, 2014, an unidentified co-conspirator made
27 cash deposits of \$1,149.66 and \$3,500 into WFB Account 1; and a cash
28 deposit of \$8,100 into the Comerica Account.

1 35. On March 12, 2014, defendant B. KABOV made a cash deposit
2 of \$3,000 into WFB Account 3; and an unidentified co-conspirator made
3 cash deposits of \$1,000 and \$300 into WFB Account 2; a cash deposit
4 of \$660 into WFB Account 1; and a cash deposit of \$5,100 into the
5 Comerica Account.

COUNTS EIGHT through SIXTEEN

[18 U.S.C. § 1957(a); 18 U.S.C. § 2(b)]

1. The Grand Jury hereby repeats, re-alleges, and incorporates by reference paragraph 5 of the General Allegations of this Indictment as though fully set forth herein.

2. On or about the following dates, in Los Angeles County, within the Central District of California, and elsewhere, defendants BERRY KABOV ("B. KABOV"), DALIBOR KABOV, also known as "Dabo" ("D. KABOV"), and GLOBAL COMPOUNDING LLC, knowing that the funds involved represented the proceeds of some form of unlawful activity, conducted, and willfully caused others to conduct, the following monetary transactions in criminally derived property of a value greater than \$10,000, which property, in fact, was derived from specified unlawful activity, namely, the felonious manufacture, importation, receiving, concealment, buying, selling, and otherwise dealing in a controlled substance punishable under any law of the United States, as set forth in 18 U.S.C. § 1961(1)(D):

<u>COUNT</u>	<u>DATE</u>	<u>DEFENDANT</u>	<u>MONETARY TRANSACTION</u>
EIGHT	8/2/2011	B. KABOV	Withdrew \$10,785.00 from WFB Account 3
NINE	12/29/2011	D. KABOV	Transferred \$26,735.64 from WFB Account 1 to the Amex Account
TEN	1/31/2012	D. KABOV	Transferred \$40,492.57 from WFB Account 1 to the Amex Account
ELEVEN	2/28/2012	D. KABOV	Transferred \$31,259.41 from WFB Account 1 to the Amex Account
TWELVE	3/13/2012	D. KABOV	Withdrew \$29,000.00 from WFB Account 1

1	THIRTEEN	3/27/2012	D. KABOV	Transferred \$24,500.41 from WFB Account 1 to the Amex Account
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3	FOURTEEN	4/30/2012	D. KABOV	Transferred \$25,840.51 from WFB Account 1 to the Amex Account
4				
5	FIFTEEN	5/31/2012	D. KABOV	Transferred \$21,000.00 from WFB Account 1 to the Amex Account
6				
7	SIXTEEN	9/28/2012	D. KABOV	Transferred \$13,979.13 from WFB Account 1 to the Amex Account
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COUNTS SEVENTEEN through FORTY

[31 U.S.C. §§ 5324(a)(3), (d)(2); 18 U.S.C. § 2(b)]

1-2. The Grand Jury hereby repeats, re-alleges, and incorporates by reference paragraphs 5 and 6 of the General Allegations of this Indictment as though fully set forth herein.

3. On or about the following dates, in Los Angeles County, within the Central District of California, and elsewhere, defendants BERRY KABOV, DALIBOR KABOV, also known as "Dabo," and GLOBAL COMPOUNDING LLC, and others known and unknown to the Grand Jury, knowingly, and for the purpose of evading the reporting requirements of Section 5313(a) of Title 31, United States Code, and the regulations promulgated thereunder, structured, assisted in structuring, and caused to be structured, the following transactions with domestic financial institutions, as part of a pattern of illegal activity involving more than \$100,000 in a 12-month period, and while violating another law of the United States:

<u>COUNT</u>	<u>DATE</u>	<u>TRANSACTIONS</u>
SEVENTEEN	10/19/2011	Cash deposits of \$7,300 and \$3,200 into WFB Account 1
EIGHTEEN	10/28/2011	Cash deposits of \$5,000, \$4,400, and \$3,300 into WFB Account 1
NINETEEN	12/28/2011	Cash deposits of \$4,100, \$3,200, \$2,700, and \$2,000 into WFB Account 1
TWENTY	12/29/2011	Cash deposits of \$4,100, \$3,200, \$3,000, \$2,800, \$2,600, and \$1,800 into WFB Account 1, cash deposit of \$4,000 deposit into WFB Account 3; and cash deposit of \$2,000 into Comerica Account
TWENTY-ONE	1/31/2012	Cash deposits of \$9,000, \$4,700, \$4,550, \$3,750, \$3,700, \$3,250, \$3,000, \$3,000, \$2,900, \$2,400, \$1,400, and \$1,400 into WFB Account 1

<u>COUNT</u>	<u>DATE</u>	<u>TRANSACTIONS</u>
TWENTY-TWO	2/28/2012	Cash deposits of \$5,000, \$4,000, \$4,000, \$4,000, \$3,000, \$2,000, \$2,000, and \$1,200 into WFB Account 1; cash deposit of \$140.38 into WFB Account 3
TWENTY-THREE	3/13/2012	Cash deposits of \$5,000, \$4,000, \$4,000, \$4,000, \$4,000, and \$4,000 into WFB Account 1; cash deposit of \$3,100 into Comerica Account
TWENTY-FOUR	3/27/2012	Cash deposits of \$6,000, \$4,000, \$4,000, \$4,000, \$3,550, \$2,500, \$2,000, \$1,450 into WFB Account 1; cash deposit of \$2,200 into Comerica Account
TWENTY-FIVE	4/30/2012	Cash deposits of \$5,000, \$4,000, \$3,800, \$3,800, \$2,300, \$2,200, \$2,200, \$2,000, \$1,700, and \$700 into WFB Account 1
TWENTY-SIX	5/30/2012	Cash deposits of \$4,900, \$4,800, \$3,700, \$3,700, and \$3,300 into WFB Account 1; cash deposits of \$3,600 and \$750 into WFB Account 3
TWENTY-SEVEN	6/25/2012	Cash deposits of \$4,700, \$4,600, \$4,000, \$3,500, and \$3,200 into WFB Account 1
TWENTY-EIGHT	9/27/2012	Cash deposits of \$5,000, \$5,000 and \$4,900 into WFB Account 1; cash deposit of \$2,000 deposit into WFB Account 3
TWENTY-NINE	10/4/2012	Cash deposits of \$4,100, \$4,000, and \$3,900 into WFB Account 1; cash deposit of \$725 into WFB Account 3
THIRTY	11/30/2012	Cash deposits of \$4,400, \$4,400, \$3,000, \$1,500, \$1,000, \$1,000, \$1,000, and \$1,000 into WFB Account 1
THIRTY-ONE	12/31/2012	Cash deposits of \$4,900, \$4,500, \$2,500, \$1,100, and \$1,000 into WFB Account 1; cash deposits of \$2,000, \$1,960, \$1,000, and \$800 into WFB Account 3

<u>COUNT</u>	<u>DATE</u>	<u>TRANSACTIONS</u>
THIRTY-TWO	4/1/2013	Cash deposits of \$3,800 and \$3,220 into WFB Account 1; cash deposits of \$3,000 and \$2,800 into WFB Account 3
THIRTY-THREE	5/20/2013	Cash deposits of \$4,550, \$2,900, \$4,600, and \$3,500 into WFB Account 1; cash deposit of \$2,000 into Comerica Account
THIRTY-FOUR	6/5/2013	Cash deposits of \$1,300, \$1,000, \$1,000, and \$786.23 into WFB Account 3; cash deposit of \$10,000 into Comerica Account
THIRTY-FIVE	7/5/2013	Cash deposit of \$1,000, \$1,000, and \$180 into WFB Account 3; cash deposit of \$8,500 into Comerica Account
THIRTY-SIX	7/12/2013	Cash deposits of \$5,000, \$5,000, \$5,000, \$2,500, \$500, and \$1,000 into WFB Account 1; cash deposit of \$866.60 into WFB Account 3
THIRTY-SEVEN	11/24/2013	Cash deposits of \$5,000, \$5,000, \$5,000, \$4,900, \$3,000, \$3,000, \$2,000, \$1,100, and \$800 into WFB Account 1
THIRTY-EIGHT	2/7/2014	Cash deposits of \$5,000 into WFB Account 1; cash deposit of \$2,000 into WFB Account 2; and cash deposit of \$5,000 into WFB Account 3
THIRTY-NINE	2/18/2014	Cash deposits of \$1,149.66 and \$3,500 into WFB Account 1; cash deposit of \$8,100 into Comerica Account
FORTY	3/12/2014	Cash deposits of \$1,000 and \$300 into WFB Account 2; cash deposit of \$660 into WFB Account 1; cash deposit of \$3,000 into WFB Account 3; cash deposit of \$5,100 into Comerica Account

FORFEITURE ALLEGATION ONE

[21 U.S.C. §§ 853 and 970]

1. The allegations contained in Counts One through Six of this Indictment are hereby repeated, realleged, and incorporated by reference herein as though fully set forth at length for the purpose of alleging forfeiture pursuant to the provisions of Title 21, United States Code, Sections 853 and 970.

2. Pursuant to Federal Rule of Criminal Procedure 32.2, notice is hereby given to the defendants that the United States will seek forfeiture as part of any sentence in accordance with Title 21, United States Code, Sections 853 and 970, in the event of any defendant's conviction under any of Counts One through Six of this Indictment.

3. Each defendant convicted under any of Counts One through Six of this Indictment shall forfeit to the United States any property constituting, or derived from, any proceeds such defendant obtained, directly or indirectly, as the result of such violation and any of such defendant's property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violation.

4. Pursuant to Title 21, United States Code, Section 853(p), each defendant so convicted shall forfeit substitute property, up to the value of the total amount described in paragraph 3, if, as the result of any act or omission of said defendant, the property described in paragraph 3, or any portion thereof: (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to, or deposited with a third party; (c) has been placed beyond the jurisdiction of the court; (d) has been substantially diminished

1 in value; or (e) has been commingled with other property that cannot
2 be subdivided without difficulty.

3 5. If more than one defendant is convicted of any of the
4 offenses set forth in Counts One through Six of the Indictment, each
5 such defendant shall be jointly and severally liable for the entire
6 amount ordered forfeited pursuant to that Count.

FORFEITURE ALLEGATION TWO

[18 U.S.C. § 982(a)(1)]

1. The allegations contained in Counts Seven through Sixteen of this Indictment are hereby repeated, realleged, and incorporated by reference herein as though fully set forth at length for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 982.

2. Pursuant to Federal Rule of Criminal Procedure 32.2, notice is hereby given to the defendants that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Section 982, in the event of any defendant's conviction under any of Counts Seven through Sixteen of this Indictment.

3. Pursuant to Title 18, United States Code, Section 982(a)(1), upon conviction of an offense in violation of Title 18, United States Code, Sections 1956 or 1957, each defendant shall forfeit to the United States of America any property, real or personal, involved in such offense, and any property traceable to such property.

4. Pursuant to Title 21, United States Code, Section 853(p), each defendant so convicted shall forfeit substitute property, up to the value of the total amount described in paragraph 3, if, as the result of any act or omission of said defendant, the property described in paragraph 3, or any portion thereof (a) cannot be located upon the exercise of due diligence (b) has been transferred, sold to, or deposited with a third party (c) has been placed beyond the jurisdiction of the court (d) has been substantially diminished

1 in value; or (e) has been commingled with other property that cannot
2 be divided without difficulty.

3 5. If more than one defendant is convicted of any of the
4 offenses set forth in any of Counts Seven through Sixteen of the
5 Indictment, each such defendant shall be jointly and severally liable
6 for the entire amount ordered forfeited pursuant to that Count.

FORFEITURE ALLEGATION THREE

[31 U.S.C. § 5317]

1. The allegations contained in Counts Seventeen through Forty of this Indictment are hereby repeated, realleged, and incorporated by reference herein as though fully set forth at length for the purpose of alleging forfeiture pursuant to the provisions of Title 31, United States Code, Section 5317.

2. Pursuant to Federal Rule of Criminal Procedure 32.2, notice is hereby given to the defendants that the United States will seek forfeiture as part of any sentence in accordance with Title 31, United States Code, Section 5317, in the event of any such defendant's conviction under any of Counts Seventeen through Forty of this Indictment.

3. Pursuant to Title 31, United States Code, Section 5317, upon conviction of an offense in violation of Title 31, United States Code, Section 5324, each defendant so convicted shall forfeit to the United States of America all property, real or personal, involved in the offenses and any property traceable to such property.

4. Each defendant so convicted shall forfeit substitute property, up to the value of the total amount described in paragraph 3, if, as the result of any act or omission of said defendant, the property described in paragraph 3, or any portion thereof (a) cannot be located upon the exercise of due diligence (b) has been transferred, sold to, or deposited with a third party (c) has been placed beyond the jurisdiction of the court (d) has been substantially diminished in value; or (e) has been commingled with other property that cannot be divided without difficulty.

1 5. If more than one defendant is convicted of any of the
2 offenses set forth in Counts Seventeen through Forty of the
3 Indictment, each such defendant shall be jointly and severally liable
4 for the entire amount ordered forfeited pursuant to that Count.

5
6 A TRUE BILL

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8 151
9 Foreperson

10 EILEEN M. DECKER
11 United States Attorney

12 

13 LAWRENCE S. MIDDLETON
14 Assistant United States Attorney
15 Chief, Criminal Division

16 KEVIN M. LALLY
17 Assistant United States Attorney
18 Chief, Organized Crime Drug
19 Enforcement Task Force Section

20 BENJAMIN R. BARRON
21 Assistant United States Attorney
22 Deputy Chief, Organized Crime
23 Drug Enforcement Task Force
24 Section

25 RYAN H. WEINSTEIN
26 Assistant United States Attorney
27 Organized Crime Drug Enforcement
28 Task Force Section